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TERRE HAUTE, INDIANA

Poly-Mar Plastics

Former fire victim helps Poly-Mar staff

By Dick Robinson 1986 TS
Tribune-Star Staff Reporter

Eldred Van and Storage has thrown open its doors to a neighbor in need.

Richard Eldred, whose home and business burned in 1977, is providing office and work space for the burned-out Poly-Mar Plastics to resume a portion of its operation.

A \$3.5 million fire Saturday destroyed more than half of Poly-Mar's office, plant and warehouse facility in Fort Harrison Industrial Park.

Poly-Mar accepted Eldred's offer and moved eight desks into the van and storage company at 1405 N. Fruitridge Ave. Eldred made his office and the company's conference room available for Poly-Mar's use.

"I told them to treat this as home and to stay as long as they want,

and if they need more space just let us know," Eldred said. "I know what it is like after a fire."

Eldred said his home burned in May 1977 and the business, then located on 10th Street, was torched the following September.

"I know what it is to need a place to hang your hat, because I've been there," he said. "That's what I told the Poly-Mar people. You will need a place to hang your hat and you're welcome to use my place"

Poly-Mar's telephone numbers were ringing in at Eldred Van and Storage after service was installed Monday.

Poly-Mar, which employs 70 workers for manufacturing packaging plastic, has bought some shipping supplies from Eldred.

Employees are scheduled to meet Thursday. A company spokesperson could not be specific about what would be discussed.

Poly-Mar Plastic

Community Affairs File

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Business + Industry (WV) JAN 4 1986 TS
Poly-Mar to call back some workers Monday
Community Affairs File

Poly-Mar Plastic will begin calling the 24 most senior of its 58 hourly employees back to work Monday in the company's temporary "home" at a CBS warehouse in Fort Harrison Industrial Park.

The firm was destroyed in a fire Dec. 28.

Friday, Poly-Mar began shipping the finished goods stored in its warehouse, which was not damaged by the blaze.

Employees called back to work

will be building some equipment destroyed in the fire and will be guarding the ruins of Poly-Mar's former plant.

"They'll be reconstructing some of this equipment and getting it going again," plant manager Jim Mathias said Friday.

"Most of the parts we're pulling out, we're just pulling out for dimensions because the blueprints are gone, too," he added.

Most of the equipment in the

plant is unsalvageable.

Mathias said the company is laying out plans for a permanent plant and its equipment, but it is still unknown where that plant will be.

"We're still looking in this area," he said, adding that R.J. "Bud" Williams, president of Poly-Mar's owner, Cadillac Products, was due back in Terre Haute on Friday to continue the search.

Poly-Mar PLASTICS

Business & Industry (WV)

Poly-Mar expands local operations

TS JUL 11 1986

Cadillac Products said Thursday it will continue and expand its Poly-Mar Plastics Co.'s Terre Haute operations — at least for now. Poly-Mar's Fort Harrison Industrial Park plant was destroyed by fire Dec. 28.

Future plans call for a new manufacturing facility to be built in either Terre Haute or Paris, Ill. Discussions are continuing with officials of both cities, with commitments of support being carefully evaluated.

William J. Tway, executive vice president of Cadillac, met with employees Tuesday and outlined the company's plans for expansion.

"We are very pleased that our long-range plan involves increased activity at Poly-Mar," Tway told the employees. "Our employees [in Terre Haute] have been extremely loyal and we want to provide continued employment opportunities for as many as possible."

In line with the announcement, Poly-Mar plans to move from its present temporary location in Building 107 of the Fort Harrison Industrial Park to a building owned by Patterson Equipment Co. at 925 N. Fruitridge Ave.

That, too, will be a temporary site, but the move was necessitated because its current building has been fully utilized and will not allow for increased activity by Poly-Mar.

Patterson Equipment owner Herbert Patterson said Thursday evening that the move has been under discussion for a week.

Asked if the addition of Poly-Mar to his building would create a space problem for his own operation, Patterson replied: "We feel there will be enough room for both of us. We own the field immediately north of the building and that would leave enough room for expansion if it was needed."

Poly-Mar will occupy about 52,000 square feet of the more than 100,000-square-foot building, Patterson said.

Patterson, who manufactures industrial conveyers, said he also has manufacturing operations at 1450 Wabash Ave.

"We are delighted to have them in our building," Patterson said.

Poly-Mar's original plant in the industrial park was destroyed by fire in December when, according to Poly-Mar employee Ralph Splady, who was in the building at the time, a "vacuum pump got hot and ignited." Another employee, Dave Holt, said the fire reached a resin pump and spread rapidly from there.

The company, manufacturers of polyethylene film for fabrication, moved to the industrial park in 1974, after conducting operations at a facility on South Third Street for a number of years.

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Community Affairs File

Paris officials dangle \$7 million bond for Poly-Mar

✓ Business & Industry (WU)

JUL 17 1986

PARIS, Ill. — If Poly-Mar Plastics Co. decides to build a manufacturing plant in Paris, city officials say they will oblige by authorizing \$7 million in industrial revenue bonds for the project.

The Paris City Council adopted an inducement resolution supporting the proposed bond issue at a meeting Tuesday night at City Hall.

Cadillac Ferndale Corp., Poly-Mar's parent company, requested the inducement resolution supporting the bond issue. The Paris council's action matches an identical one taken last month by the Terre Haute City Council.

Poly-Mar's Terre Haute plant was destroyed by fire Dec. 28. The company is considering alternatives for replacing the plant, including moving the site to Paris or rebuilding in Terre Haute. Poly-Mar last week announced it was setting up a temporary plant in Terre Haute, but officials said Paris was still being considered as a site for the permanent plant.

Paris Mayor Frank Clinton said he is hopeful Poly-Mar will choose Paris for its new plant. "We're high on our community. Paris has a lot to offer."

Clinton said the city has pledged

to help Poly-Mar in any way it can to find a home in Paris. "Whatever they need, we'll get it for them," he said.

Industrial revenue bonds are economic-development tools made available by Congress to municipalities and other government entities. They enable corporations to negotiate loans with more favorable interest rates because bond-holders are exempted from paying taxes on the interest. The bonds carry no financial obligation to the city or county approving their use.

The Paris council also drafted a letter to the state supporting neighboring Clark County as the site for a new state prison.

Dale Huffington, executive director for Clark County Economic Development Commission, thanked the council for its support and said if his county is selected as the prison site, there would be "a lot of spinoffs aside from jobs created, as the inmates would utilize local educational facilities and medical centers."

Huffington also offered his support in luring Poly-Mar to Paris. He said if the two counties work together, "we become a force to be reckoned with."

Poly-Mar Plastics

Paris

Bus. + Ind. (WV)

Poly-Mar ready to move plant to

OCT 08 1986

By Sue Loughlin
Tribune-Star Staff Reporter

Poly-Mar Plastics, whose \$3.5 million plant was destroyed by fire Dec. 28, plans to move to Paris, Ill., a source in Illinois said Wednesday.

Illinois Lt. Gov. George Ryan is expected to attend a press conference scheduled Friday in Paris, Illinois Commerce Director Jay Hedges said.

"There will be a press conference in Paris Friday concerning Poly-Mar,"

Hedges said. He declined to state specifically what will be announced. He added that an announcement would have to come from the company.

Poly-Mar officials were not available for comment Wednesday night.

"It appears Poly-Mar is prepared to make a commitment," Hedges said. "We've worked with them since about February on this project."

He said an incentive package had been proposed if Poly-Mar decided to move to Paris. He would not detail those incentives.

"It seems to have come to a conclusion," Hedges said. "They'll be announcing their intentions Friday."

Despite Hedges' remarks, Mayor P. Pete Chalos said Wednesday night that he is not convinced Poly-Mar intends to relocate to Paris.

"Until I hear from Poly-Mar personally that they've made a decision, I'm going on the assumption they have not," Chalos said. "We still look forward to meeting with them and negotiating with them. . . We still have an opportunity to keep Poly-Mar in Terre Haute."

He said company officials told him last week that they would get back with him before making a final commitment.

Seventy Poly-Mar workers were displaced when fire destroyed the 50,000-square-foot plant in Fort Harrison Industrial Park. The company, which manufactures packaging plastic, has been in Terre Haute since 1974.

Poly-Mar is owned by Cadillac Products in Sterling Heights, Mich.

Following the fire, the company continued operations at a temporary site in the northside industrial park and later

leased space from Patterson Equi Co. on North Fruitridge Avenue.

In July, officials with Cadillac Products announced that a new manufacturing plant would be built for Poly-Mar, with the site yet to be determined. Officials also said the company would be expanding.

In June, the Terre Haute City Council passed a resolution enabling Poly-Mar to negotiate financing for \$7 million in low-interest economic development bonds to build a plant here. Company officials had indicated at the time they would seek a similar measure in Paris.

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Poly-Mar Plastics

Business + Industry (w)

Poly-Mar cites bottom line in move

OCT 14 1968

By Jan Chait
Tribune-Star Staff Reporter

PARIS, Ill. — When it got down to the bottom line, the bottom line is what convinced Cadillac Products Inc. to move its Poly-Mar Plastics Inc. plant from Terre Haute to Paris, Cadillac President R.J. "Bud" Williams said Friday.

Williams made his announcement during a 3 p.m. news conference at the Sycamore Hills Country Club.

"Had it been for a decision based purely on emotions, we'd still be in Terre Haute," Williams told a room packed with state and local officials and representatives from the business community.

"We had excellent cooperation

there for years. [Terre Haute Mayor] Pete Chalos literally worked Sundays in helping us. Unfortunately, in these decisions, you have to get real."

Williams said \$10 million would be invested over the next three years in constructing a 60,000-square-foot facility with expansion capabilities of up to 100,000 square feet.

Paris will also get a plant with an expanded product line. Right now, Poly-Mar's Wabash Valley plant manufactures polyethylene film for fabrication primarily in the automotive industry.

Equipment will be added at the new site that will allow the firm to print on the film and allow Poly-Mar to combine the film with other materials to make laminates.

"While the automotive business

is cyclical, packaging is not," Williams said. "We'll be able to avoid layoffs which are unavoidable with the automotive industry."

"The delay [in selecting a permanent site] has caused some anxiety with our employees, but, in the long run, it will be to their benefit, because they will have a more stable environment."

Seventy-eight people were employed in Poly-Mar's plant in Fort Harrison Industrial Park when it burned Dec. 28, plant Manager James Mathias said. Right now, 36 work in temporary quarters at 925 N. Fruitridge Ave.

Williams said he expects that 120 jobs will be created at the Paris site over the next three years.

The plant is expected to be operating by July.

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Poly-Mar



R.J. WILLIAMS
'Boiled down to economics'



GEORGE RYAN
Enumerates Illinois' offer

Illinois had more money to offer

Business & Industry (w)

By Jan Chait
Tribune-Star Staff Reporter

OCT 12 1986

POLY-MAR

PARIS, Ill. — Cadillac Products President R.J. "Bud" Williams said Friday he looked at 56 sites in 19 cities in four states before deciding it was most economically feasible to move his Poly-Mar Plastics plant from Terre Haute to Paris.

"The Japanese have taken about one-third of the market and they won't buy from us," Williams said. "The Americans want us to lower prices and our [major] suppliers are talking about raising prices every quarter. Of course, we needed to get some help. It boiled down to economics in the long run."

Illinois Lt. Gov. George Ryan enumerated what Poly-Mar will receive from state and local governments in the form of incentives.

From the Build Illinois Small Business Development Program, Poly-Mar will get \$240,000 for working capital, a \$75,000 infrastructure loan and a \$100,000 training grant.

In contrast, Indiana offered a \$250,000 low-interest loan for machinery, Terre Haute Mayor P. Pete Chalos said.

From an Illinois Community Development Assistance set-aside grant, Poly-Mar will receive a \$360,000 loan.

Paris provided \$150,000 from the Illinois Department of Transportation's Illinois Railroad Fund.

Ryan said Poly-Mar will invest \$7.5 million to build a 60,000-square-foot plant that can be expanded up to 100,000 square feet. Williams said later the investment will be closer to \$10 million over the next three years.

Of that amount, \$7 million will be financed through a low-interest industrial revenue bond approved by the Paris City Council.

A loan in the same amount was approved by the Terre Haute City Council.

Paris also donated 10 acres of land south of the city on Illinois 1 beside Moss Grain. In Indiana, the law does not allow municipalities to donate land to a company.

Paris gave Poly-Mar a 100-percent tax abatement over a 10-year period and will make water improvements necessary to serve the site.

Terre Haute offered a 10-year property-tax abatement but, by law, could not offer a 100-percent abatement. Chalos said the abatement averages out to 50 percent over the 10-year period. Taxes on equipment can only be abated for five years.

Edward B. Fuller of Cadillac Products said the incentives offered by Terre Haute and Indiana was similar to Paris and "to the full extent allowed by statute."

"The city [Terre Haute] really spearheaded their project with us," Fuller said, adding that the city was "certainly more active" than was the state.

"I'll say this for Poly-Mar," Chalos said. "They gave the state of Indiana and the city every opportunity to negotiate with them."

The biggest difference between the two states came in the form of taxes, Fuller said. By statute, Indiana cannot offer the same kinds of tax assistance as Illinois.

"The basic tax structure in Indiana is probably a little lower than in Indiana, but . . . Illinois has a more aggressive tax abatement [schedule]. Illinois can do a complete 10-year tax abatement."

Mark S. Killion, executive assistant to the director of the Department of Commerce and Community Affairs, said, "There is a perception that Illinois has a bad tax structure. That's not true.

"In Illinois, worker's compensation and unemployment is higher than in Indiana. We can't hide that. But we can balance that against an inventory tax that Indiana has and Illinois doesn't.

"Then, on top of that, we can help abate those taxes. We have the ability to provide low-interest loans through Build Illinois, and we have better access to training funds."

Something else Illinois has that Indiana doesn't is a state-funded Industrial Training Program, with \$19 million for fiscal year 1986. Funds are used to re-train workers.

"It gives us the ability to go into an old industry, like Caterpillar, as they purchase new equipment, and we can help to retrain their employees," Killion said.

Indiana offered Poly-Mar some job-training money from the federally funded Job Partnership Training Act, but there was a question as to whether it could be used to train existing employees.

Chalos said Indiana has a lot of economic-development programs, but they're only programs.

"If we're going to compete, we're going to have to have a really different state policy — one backed up with money, not slogans," he said.

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Poly-Mar

3-way effort caught Poly-Mar for Paris

Business & Industry (6U)

By Denise Egan
Tribune-Star Correspondent

PARIS, Ill. — The carrot used to lure Poly-Mar Plastics to bring its factory to Paris was dangled by three local organizations through cooperative efforts.

The City Council, the Paris Economic Development Corp. and the Mayor's Task Force on Economic Development are credited by Mayor Frank Clinton with the successful catch.

Developed in 1979, PEDCO is a non-profit organization of 80 members who pay a substantial fee. President Dale Francis describes PEDCO as the "industrial arm of the city." The corporation is responsible to its members but is dependent upon the city's help in attracting new industry.

"You don't do the same for every industry," Francis said. "We find out what they like and what they want. We try to get just as much information as we can about them."

John Piper serves as co-chairman of the nine-member Mayor's Task Force on Economic Development. This committee, which reports and makes recommendations to the city council, was appointed by Clinton when it was first organized in 1979. This committee has a broader focus than PEDCO in that it seeks commercial and retail businesses.

"Actually it was a marriage of the entire community," said Clinton. He added that the enthusiasm of the Chamber of Commerce and Paris merchants were also instrumental in the success of the project.

The groups have worked with the common goal of attracting Poly-Mar to the community since January.

After the fire that destroyed the Terre Haute plant, a Paris delegation made a courtesy call on plant officials. The group explained its interest in the industry if it were to consider leaving Terre Haute.

Clinton said that while the officials considered 19 cities in four states, the competition between Paris and Terre Haute continued to be "ethical, friendly and aggressive."

Clinton added that he intended to continue working with Terre Haute Mayor P. Pete Chalos on further economic development for the Wabash Valley.

Francis explained that because PEDCO members are business owners, the corporation is conducted as a business.

"Anytime [Poly-Mar] called, we were able to give all the information they wanted," he said.

Because of the diverse makeup of the PEDCO group, the process is personalized. Prospective businesses receive a Paris community profile with community statistics.

Francis said that as a result of this information, Poly-Mar "probably knows as much about Paris as I do."

The future site of Poly-Mar is owned by PEDCO. The 34-acre tract had been bought in the spring for industrial development. The site will be annexed to the city soon.

Francis said the grant formula is based upon the number of future jobs to be provided. On the basis of the 120 prospective jobs, Illinois gave the city about \$600,000 to be loaned at a low interest rate to the new industry.

Poly-Mar was attracted to the site on Illinois 1 because of the high visibility it afforded, Francis said.

Tax abatement was also very attractive. Clinton said, "In the agreement we made, they will pay only the land taxes for the next seven to 10 years."

The city has also provided plans for additional water mains and railroad tracks for the site.

Clinton summed up the choice this way: "Poly-Mar had studied the short- and long-range advantages. They found that it would be more costly to do business in Indiana over the next 10 to 20 years."

The Poly-Mar story is the fourth in a successful series for Paris. During the past two years, the state of Illinois has invested \$1 million in the community.

• In 1984, the Conomet Co., a light-metal fabricating business, moved in as a result of a \$500,000

grant.

• That same year a \$250,000 loan attracted Cambridge Mills, a wood furniture manufacturing firm.

• In June of 1985, the already established Colson Co. received \$250,000 to help with operating capital for its printing operations.

"All three of these loans are now in the payback stages," said Clinton. "As they come in, these monies were used to help bring Poly-Mar."

Francis says there may be another addition to Paris industry in the very near future. "We are working on one more. It's no secret."

Still, Francis would not say just what that industry is.

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Chalos disappointed with Poly-Mar's move

Is OCT 10 1986

By Jan Chait
Tribune-Star Staff Reporter

"It was a disappointment to me that they're moving," Terre Haute Mayor P. Pete Chalos said on the eve of Poly-Mar Plastics Co.'s expected announcement today that it will move its manufacturing facility to Paris, Ill.

"They were a good corporate citizen [and] looking down the road, I'd be happy to work with them again or any of their affiliated companies."

Poly-Mar is expected to announce its move at 3 p.m. today during a news conference in Sycamore Hills Country Club in Paris. Illinois Lt. Gov. George Ryan is expected to be among those attending the meeting.

Officials at Cadillac Products, Poly-Mar's parent company, were unavailable for comment Thursday.

Chalos said Terre Haute's efforts to keep the company, which manufactures polyethylene film for fabrication, included passage of an ordinance which would allow Poly-Mar to negotiate a \$7 million loan using low-interest industrial revenue bonds, tax abatements, placement in a tax-allocation district and other incentives.

On the Illinois side, Paris Mayor Frank Clinton said: "There is a package. It's a very extensive package. I imagine that will be part of the meeting."

Clinton wouldn't confirm Thursday that Poly-Mar will actually be moving to Paris, saying: "I'm optimistic. I'm hopeful [but] as Yogi Berra says, 'It's not over 'til it's

over.' We're sitting here anxiously awaiting the announcement. I don't know what's coming, but you can bet I'll be there."

Poly-Mar's move to another site was necessitated by a late-evening fire Dec. 28 which destroyed its manufacturing plant and offices in the Fort Harrison Industrial Park.

Immediately after the fire, Poly-Mar moved its offices into space owned by Eldred Van and Storage at 1405 N. Fruitridge Ave. Shortly after that, a temporary manufacturing facility was set up in Building 107, a CBS Inc. warehouse in the industrial park.

In July, Cadillac Products announced it would move operations into a building owned by Patterson Equipment Co. at 925 N. Fruitridge Ave. while it decided where to make its permanent home.

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Is. OCT 19 1986

A decision for the Wabash Valley

Business & Industry
There were those in Terre Haute who were upset last week when Poly-Mar Plastics Inc. decided to situate its new plant in Paris, rather than in Terre Haute.

We, on the other hand, were delighted that Poly-Mar picked the Wabash Valley rather than one of the 56 other sites in 19 cities and four states that Poly-Mar investigated before picking Paris.

And while Terre Haute Mayor P. Pete Chalos lamented the loss of Poly-Mar from the city where it got its start, the fact is that Poly-Mar's decision to reinvest in the Wabash Valley is a realization of the Chalos notion for regional economic development.

Chalos urged at a Rotary Club meeting in Linton two weeks ago that the communities of the Wabash Valley begin to pool their efforts to lure jobs and dollars to our community. Chalos said then that a regional approach to development would eliminate the problems of community competing against community and would recognize that ours is a homogeneous and mobile region that benefits from everyone's success.

Chalos didn't talk about the bi-state boundaries of the Wabash Valley, but

the Poly-Mar case clearly points to the benefits of the Chalos solution. Illinois, as a state, quite simply had more to offer than Indiana as a state, as our business reporter Jan Chait and our Edgar County correspondent Denise Egan pointed out in our Sunday editions. In Egan's article, Paris Mayor Frank Clinton summed it up this way: "Poly-Mar studied the short- and long-range advantages. They found that it would be more costly to do business in Indiana over the next 10 to 20 years."

The decision means jobs — the 78 at Poly-Mar at the time of the big Terre Haute fire last December, the 36 working at Poly-Mar's temporary facility in Terre Haute now and the 120 expected to be at the new Paris plant — will stay in the Valley. The decision means the men and women now employed by Poly-Mar can still work for Poly-Mar without selling their houses and pulling their children out of their schools.

We are delighted that Poly-Mar's Michigan-based parent company, after looking at 19 cities in four states, decided it liked the Wabash Valley best of all. That's the kind of confidence many have shown in recent years, us included.

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